

**STATE OF NEW HAMPSHIRE INSURANCE DEPARTMENT
21 SOUTH FRUIT STREET SUITE 14
CONCORD, NEW HAMPSHIRE 03301**

Payment by Electronic Funds Transfers (EFT) (Credit instructions, Debit instructions)

RSA 400-A:32-b Requires payment by electronic funds transfers in certain circumstances.

Chapter 248 of the Laws of 2005 added the following provisions to the Insurance Code effective January 1, 2006 and following:

“Insurers shall remit taxes by electronic funds transfer according to the following schedule:

- I. When the insurer, or group of insurers, had a tax liability in the prior tax year of **\$40,000** or more, effective January 1, 2006.
- II. When the insurer, or group of insurers, had a tax liability in the prior tax year of **\$30,000** or more, effective January 1, 2007.
- III. When the insurer, or group of insurers, had a tax liability in the prior tax year of **\$20,000** or more, effective January 1, 2008.”

“Group of insurers” is defined as all companies included in a single NAIC Group Code. The group code is contained on the jurat page of the annual statement.

Tax Liability

The tax liability is the total premium taxes payable for the prior calendar year less the credit for workers’ compensation administrative assessment and the credit for NH Business Enterprise Tax.

This amount appears on the following page and line numbers of the tax return:

P&C, including RRG and Title companies	Page 3, Line 26
Life companies	Page 3, Line 28
Medical companies	Page 3, Line 21

Timely Payment

To be considered timely, the tax payment must be deposited into the Insurance Department’s EFT bank account on or before the legal payment due date.

Electronic Funds Transfer

ACH CREDIT

The department allows electronic funds transfers by the following ACH Credit methods:

CCD+
CTX
TPX

Instructions for these methods are contained in the General Instructions for EFT transfers.

NHID has no pre-authorization requirements for the ACH Credit method. Each company must make its own arrangements with a bank or servicing firm to implement the transfers. The company is responsible for depositing the funds into the Insurance Department’s EFT account on or before the legal due date of the payment.

ACH DEBIT

The department also allows payment by the ACH Debit method.

Each company choosing to use this method must submit a completed authorization form not later than two weeks prior to the due date. This is the form that authorizes the State Treasurer to initiate the ACH Debit transaction that will withdraw money from the company’s account. Once submitted, this form will remain in effect until such time as the company notifies the Department that the authorization is being revoked. Any revocation must be in writing and received by the Department not later than two weeks prior to the due date for which the revocation is effective. **However, while in force, the company should notify the department via e-mail of the exact amount to be withdrawn from the company’s account(s) on or before the first of the month of the payment due date. The notification e-mail address(es) are:**
Charles.Burdette@ins.nh.gov and/or Janet.Colby@ins.nh.gov

AUTHORIZATION AGREEMENT FOR PREAUTHORIZED PAYMENTS (ACH DEBITS) [nhid_ach_debit_authorization.pdf](#)

The NH Insurance Department does not have an automated ACH Debit system as does certain other states. Instead, the Insurance Department utilizes the services of the New Hampshire State Treasurer’s Office to initiate and transact ACH Debits. The Department must transmit a listing of companies and amounts to the Treasurer’s Office not later than one week prior to the scheduled due date of the payment. Once the treasurer receives this listing, the information is entered into software provided by our bank. The treasurer may then initiate a pre-note, if necessary. The ACH Debit transaction will be initiated by the treasurer on the last business day prior to the due date; i.e. the transaction would be initiated on a Tuesday, if the due date were Wednesday. However, when the due date falls on a weekend or holiday, the treasurer will initiate the transaction on the last business day prior to the due date; the transaction would be initiated on a Friday, if the due date were a Saturday or Sunday. The funds will be transferred from the company's account to the department's account after the close of business of the last business day prior to the due date."

The due dates for all ACH Debit transactions are as follows:

<u>SCHEDULED DUE DATE</u>	<u>ACH DEBIT DUE DATE</u>
March 15 th	March 1 st
June 15 th	June 1 st
September 15 th	September 1 st
December 15 th	December 1 st

These **ACH DEBIT DUE DATES** are effective for:
Submitting authorization forms.
Submitting Quarterly e-mail notification of amounts for withdrawal
Making changes to account numbers, banks, branches, etc.
Revoking an authorization.

Premium Tax Return

Companies participating in the EFT program **must also provide a hardcopy of the premium tax return and each quarterly payment to the department.** It is requested that these hardcopy forms be filed so as to arrive at the NH Insurance Department prior to the EFT transaction.